

## RESOLUTION NO. 1445

### A RESOLUTION APPROVING REFERRAL TO THE ELECTORS OF THE CITY OF CENTRAL POINT THE QUESTION OF IMPOSING A THREE PERCENT TAX ON THE SALE OF MARIJUANA ITEMS BY A MARIJUANA RETAILER WITHIN THE CITY

#### RECITALS:

- A. Whereas, section 34a of House Bill 3400 (2015) provides that a city council may adopt an ordinance to be referred to the voters that imposes up to a three percent tax or fee on the sale of marijuana items by a marijuana retailer in the area subject to the jurisdiction of the city;
- B. Whereas, the city of Central Point city council adopted Ordinance No. 2018 which imposes a tax of three percent on the sale of marijuana items in the area subject to the jurisdiction of the city;

#### THE CITY OF CENTRAL POINT, RESOLVES AS FOLLOWS:

##### SECTION 1. DEFINITIONS.

Marijuana item has the meaning given that term in Oregon Laws 2015, chapter 614, section 1.

Marijuana retailer means a person who sells marijuana items to a consumer in this state.

Retail sale price means the price paid for a marijuana item, excluding tax, to a marijuana retailer by or on behalf of a consumer of the marijuana item.

**SECTION 2. MEASURE.** A measure election is hereby called for the purpose of submitting to the electors of the city of Central Point a measure imposing a three percent tax on the sale of marijuana items by a marijuana retailer in the area subject to the jurisdiction of the city, a copy of which is attached hereto as "Exhibit "A," and incorporated herein by reference.

**SECTION 3. ELECTION CONDUCTED BY MAIL.** The measure election shall be held in the city of Central Point on November 8, 2016. As required by ORS 254.465, the measure election shall be conducted by mail by the County Clerk of Jackson County, according to the procedures adopted by the Oregon Secretary of State.

**SECTION 4. DELEGATION.** The City of Central Point authorizes the City Recorder or her designee, to act on behalf of the city and to take such further action as is necessary to carry out the intent and purposes set forth herein, in compliance with the applicable provisions of law.

**SECTION 5. PREPARATION OF BALLOT TITLE.** The ballot title for the measure set forth as Exhibit "A" to this resolution is hereby adopted.

**SECTION 6. NOTICE OF BALLOT TITLE AND RIGHT TO APPEAL.** Upon receiving the ballot title for this measure, the City Recorder shall publish in the next available edition of a newspaper of general circulation in the city a notice of receipt of the ballot title, including notice that an elector may file a petition for review of the ballot title.

**SECTION 7. EXPLANATORY STATEMENT.** The explanatory statement for the measure, which is attached hereto as "Exhibit "B," and incorporated herein by reference, is hereby approved.

**SECTION 8. FILING WITH COUNTY ELECTIONS OFFICE.** The City Recorder shall deliver the Notice of Measure Election to the county clerk for Jackson County for inclusion on the ballot for the November 8, 2016 election.

**SECTION 9. EFFECTIVE DATE.** This resolution is effective upon adoption.

**DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF CENTRAL POINT, OREGON ON THE DATE LAST WRITTEN BELOW.**

Signed by me in open session in authentication of its passage this day of February 16, 2016.

  
Mayor Hank Williams

ATTEST:

  
City Recorder Deanna Casey

EXHIBIT "A"

**BALLOT TITLE**

Imposes city tax on marijuana retailer's sale of marijuana items

**QUESTION**

Shall City of Central Point impose a three percent tax on the sale in the City of Central Point of marijuana items by a marijuana retailer?

**SUMMARY**

Under state law, a city council may adopt an ordinance to be referred to the voters of the city imposing up to a three percent tax or fee on the sale of marijuana items in the city by a licensed marijuana retailer.

Approval of this measure would impose a three percent tax on the sale of marijuana items in the city by a licensed marijuana retailer. The tax would be collected at the point of sale and remitted by the marijuana retailer.

Under state law, a city that adopts an ordinance that prohibits the establishment in the area subject to the jurisdiction of the city of a medical marijuana processor, medical marijuana dispensary, or recreational marijuana producer, processor, wholesaler, or retailer may not impose a tax or fee on the production, processing or sale of marijuana or any product into which marijuana has been incorporated. This measure would become operative only if the measure proposing to prohibit the establishment of any of those marijuana entities does not pass by a majority of votes.

## EXHIBIT "B"

### EXPLANATORY STATEMENT

Approval of this measure would impose a three percent tax on the sale of marijuana items by a marijuana retailer within the city. There is no way to estimate the amount of revenue the tax would provide to the city. There are no restrictions on how the city may use the revenues generated by this tax. However, this measure will become operative only if the ballot measure prohibiting the establishment of certain marijuana registrants and licensees fails.

Under Measure 91, adopted by Oregon voters in November 2014 and amended by the Legislature in 2015, the Oregon Liquor Control Commission must license the retail sale of recreational marijuana. The 2015 Legislation provides that a city council may adopt an ordinance imposing up to a three percent tax on the sale of marijuana items (which include marijuana concentrates, extracts, edibles, and other products intended for human consumption and use) by retail licensees in the city, but the council must refer that ordinance to the voters at a statewide general election. The City of Central Point city council has adopted an ordinance imposing a three percent tax on the sale of marijuana items by a retail licensee in the city, and, as a result, has referred this measure to the voters.

However, this measure will become operative only if the ballot measures prohibiting the establishment of certain marijuana registrants and licensees fails. Under state law, a city that adopts an ordinance that prohibits the establishment in the area subject to the jurisdiction of the city of a medical marijuana processor, medical marijuana dispensary, or recreational marijuana producer, processor, wholesaler, or retailer may not impose a tax or fee on the production, processing or sale of marijuana or any product into which marijuana has been incorporated. As a result, if the voters pass a prohibition ordinance, this tax measure will not become operative, even if it also receives a majority of votes.